

Michael O. Leavitt Governor Ted Stewart

Executive Director
James W. Carter
Division Director

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5291

801-359-3940 (Fax) 801-538-5319 (TDD)

November 6, 1996

Neal J. Mortensen Vice President Western Clay Company P.O. Box 127 Aurora, Utah 84620

Re:

Response to Division Letter of October 21, 1996, Western Clay Company (WCC), Hebe Gypsum

Mine, M/015/072, (UTU-73779), Emery County, Utah

Dear Mr. Mortensen:

The Division received your interim surety for the amendment to the Hebe Gypsum Mine on November 1, 1996. The interim surety is Letter Of Credit No. with Utah Independent Bank, Salina, Utah, for the amount of \$15,000. This interim surety has satisfied condition one of our October 21, 1996 letter. On the same date we received a facsimile copy of the signed and notarized copy of the Division's October 21, 1996 letter. We received the original hard copy of the signed and notarized letter on November 4, 1996. Our receipt of this signed and notarized letter indicates your acceptance of the three conditions listed in our October 21, 1996 letter.

Condition two of the October 21, 1996 letter, required the submission of a technically complete Large Mining Operation permit application within 90 days of receipt of the letter. Our US Postal Return Receipt indicated the date of your receipt of the letter was October 25, 1996. Therefore, the Large Mining Operation permit application will need to be received by the Division no later than January 23, 1997.

This letter is to formally acknowledge receipt of these items and grant Division approval to proceed with work on this amendment, as discussed in a telephone conversation with Tony Gallegos of the Division on November 1, 1996. The Division has received a copy of the BLM's October 25, 1996 letter to you, indicating their permitting concerns for this amendment have been satisfied.

Thank you for your cooperation in this matter. Please contact me or Tony Gallegos if you have any questions regarding this letter.

Sincerely

D. Wayne Hedberg

Permit Supervisor,

Minerals Regulatory Program

jb
cc: Penelope J. Dunn, Area Manager, BLM Price Office
m15-72in.let